TOKYO GAZETTE

A MONTHLY REPORT OF CURRENT POLICIES, OFFICIAL STATEMENTS AND STATISTICS

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RATIONALIZING THE TEST FOR ADMISSION INTO SECONDARY SCHOOLS

DEPARTMENT OF EDUCATION

IMPROVEMENTS in the method of selecting candidates for secondary education, which have long been desired by the public as well as the Government, made a definite step forward toward realization, when the Department of Education instructed prefectural authorities, on September 29, 1939, to adopt a new method of selection, beginning with the next school year.

The old entrance examination method, placing disproportionate emphasis on the written examination, has been used for selecting certain limited numbers out of a multitude of candidates. It has naturally resulted, not infrequently, in strenuous competitions, which have given rise to an undesirable practice of intensive, excessive preparatory training for the exclusive purpose of passing such examinations. Fully aware of the evils arising from this practice, the Department of Education has endeavoured to correct them, particularly since 1927. The practice, however, has been so strongly and widely established throughout the country that it has become almost impossible to change. Thus, the harmful effects of premature, excessive mental exertion, caused by extra hours of study in such preparatory training, upon the mental and physical development of boys and girls in their early teens have been increasingly intensified. Furthermore, this comprehensive preparatory work for the entrance examination in deviation from the basic principles of primary education has almost reduced elementary schools, to become institutions for coaching boys and girls for successful entrance into secondary schools, where cramming knowledge into pupils heads and training them in the art of memorizing text books rank first in importance. Such a condition cannot be allowed to exist in consideration of the fact that the nation's future destiny depends on this growing generation.

Growing Enthusiasm for Secondary Education

On the other hand, the growing enthusiasm for secondary and higher education should be all the more encouraged, in view of the situation prevailing today in the internal and external life of the nation. Now that the education which is almost equivalent to

secondary education, in the young men's schools has been made obligatory on those who cannot afford to receive regular secondary education, those who are desirous of entering secondary schools and who are physically and mentally qualified for such education, should all be admitted, in principle, to the institutions of their choice.

The increase in the capacity of admissions into secondary schools, however, has hardly kept pace with the applications. The number of elementary schools in Japan proper increased from 25,504 in March, 1932, to 25,647 in March, 1937. Only one middle school, however, was added during the same period, the total number in March, 1937, being 559. The situation was a little better in the case of girls' high schools which increased from 963 to 985. The total number of classes in the elementary schools increased from 179,294 to 198,015, while that in the middle schools decreased from 7,904 to 7,712, except in girls' high schools where it increased from 8,161 to 8,847 during the period under review. When the total number of elementary and secondary schools is compared, the proportion is 20.9 to 1 in 1932 and 20.6 to 1 in 1937.

In March, 1932, the number of boys who finished the regular elementary course was 693,858, of which 110,938 or 15.9 per cent applied for admission to middle schools during the same year. In March, 1936, the numbers increased to 773,637 and 148,995 respectively and the percentage to 19.2. Again in 1932, the 558 middle schools admitted 73,314 boys or 66.0 per cent of the total applicants, while in 1936 the number of admissions was 83,426 or 55.9 per cent of the total applicants of the year.

As for girls, the number of those who finished the elementary school in March, 1932, was 664,605, of which 148, 182 or 22.2 per cent applied to girls' high schools during the same year. In March, 1936, there were 746,974 and 193,749 or 25.9 per cent, who took the entrance examination. The number of admissions to girls' high schools in 1932 was 97,713 or 65.9 per cent of the total applicants, and in 1936 it was 117,083 or 60.4 per cent.

As these statistics show, the number of applications is increasing at a much higher rate than the capacity for admission to secondary schools, the proportional difference being particularly large in the case of middle schools for boys. It may be safely surmised that the situation has been worse in 1938 and 1939 with a greater increase in the number of applications on account of the rise of the working classes to a higher standard of living and the increasing urbanization of the population.

The difficulty of entrance into secondary schools is acute in cities

where many schools are located in the student's neighbourhood and easily accessible from all directions by various means of transportation and it is only natural that boys and girls rush in great numbers to the best schools, many of which cannot accept even 10 per cent of the applicants. The remedy, therefore, must first be a speedy increase of middle or high schools ; secondly, improvement of private schools having a comparatively weak teaching staff and incomplete equipment and facilities ; and thirdly, proper guidance of the parents and their children so that they may make the proper choice of secondary schools according to the children's mental as well as physical abilities, thus discouraging them from rushing to the most popular schools in sheer competition for the opportunity of making their start in an educational career in a school with a famous name. The success of all these measures, however, requires time and the Department of Education, therefore, issued the above-mentioned instructions to local governments as an immediate step for coping with the situation, improving and strengthening the order issued in 1927 on the basis of experience during the past twelve years.

New Methods of Selection

In the new method of selecting candidates for secondary schools, according to Departmental instructions, reports of the elementary schoolmaster on scholarship together with the results of the character test and physical examination conducted by the secondary school make up the regular entrance test. As conditions may be varied according to local circumstances, the methods of grading each of the three points are left to the discretion of the local educational authorities. The Department Order of 1927 instructed secondary schools to give first importance to the report of the elementary schoolmaster ; but, in view of undesirable results which followed, another order was issued in November, 1929, instructing them to give more consideration to the oral character test and physical examination than the reports on scholarly attainments. Theoretically, the reports of the elementary schoolmaster who has educated and followed the moral, mental and physical growth of boys and girls for six years should have much more weight than the character test and physical examination conducted by the secondary schools which last only two or three days. As a matter of fact, however, by placing importance exclusively on this factor in evaluating the candidates, competition in the scholarship grading may be intensified, entailing excessive mental labour all through the six years of the elementary school, besides the possible effect of favouritism or of outside

influences. The combined results of the three types of appraisal, therefore, shall be considered in selecting the candidates.

1. Reports of the Elementary Schoolmaster

The elementary schoolmaster is required to send two types of reports to the secondary school principal : first, the records of all the pupils in the class of the boy or girl who applies for admission ; and second, the report on the candidate's records. The latter is to be taken from the school register and must contain the records of study, remarks on physical condition, inclinations and character of the individual, so that all possible information regarding the boy or girl may be submitted to the secondary school principal for his examination. Both drafting of the reports at the elementary school and their examination at the secondary school should be made by a special committee consisting of competent teachers under the chairmanship of the head of the school, thus eliminating any unfair and arbitrary judgment.

Special care should be taken in the examination of the reports at secondary schools not to allow any biased views according to the schools from which the reports come, but to scrutinize carefully the actual records and observations. It is true, that certain elementary schools have obtained popularity and fame because of having produced so many students who have successfully passed the entrance examinations of the best secondary schools, but this is usually the result of their intensive preparatory instruction. Elementary education in this country is compulsory and all boys and girls of school age must study at elementary schools without discrimination. No public elementary school is allowed to make any such discrimination and all parents living in the neighbourhood of an elementary school have the obligation as well as the right to send their children to the school. There should therefore be no differences between elementary schools in respect to the natural talent of their pupils and they should contain an average number of superior and inferior children. As a matter of fact, however, there exist among them slight differences in the scholastic standard and it is hoped that the new method of selection will cause a gradual elimination of such differences by placing equal confidence in and fair handling of the reports of all elementary schools.

2. Character Test

The character test of the applicant shall be given through personal interviews. The questions shall concern general matters relating to

the daily life of the child, and the evaluation of answers shall be made with regard to the depth of sentiments and the adequacy or inadequacy of reasoning judged on the basis of moral principles. An oral test for common sense naturally presupposes a good knowledge of the subjects of study prescribed in the elementary school, and thus has resulted in the evils of preparing pupils for clever answers at such a test. The new method employs different types of questions which are related not to subjects taken up in the class work but to daily commonplace matters in general. One's reasoning or judgment on things is an outcome of the working of the entire personality, but the appraisal of the personality and ability in this case shall be based largely on their expression in moral terms. Even in this type of appraisal, knowledge constitutes an important element. The evaluation of the answers at the oral test, however, is to be based not on a mere knowledge of things but on the faculty of assimilating the knowledge acquired in the elementary school. The interviewer, therefore, can supply leading questions to the candidate when deemed necessary.

The practicability of such a method of appraising individual moral character may be questioned, but it is by no means impracticable. The text books of the elementary school are compiled in conformity with the phases of mental development of children through the six year course. A close study of the text books, therefore, may supply the inteviewer with a full knowledge of standard categories in regard to the development of the faculty of judgement of the interviewed. This previous knowledge will enable the former to presuppose the latter's answers in the course of the interview, and it is a comparatively easy matter to make a fair appraisal of the answers when they are drawn out of the mind of the candidate by properly guiding him in accordance with the standard categories of the process of development in this faculty of the elementary student. Well experienced educators will find little difficulty in the work. The practice of this type of test based on moral character in years to come may gradually lead both the elementary school and the home to place more emphasis on character building than on the mere acquisition of knowledge, in the education of their children. Nor can the appraisal of the personal character of the applicant be simply obtained from the oral, personal interview alone. The interviewers are accordingly advised to study the reports of the elementary schoolmasters scrupulously to prepare themselves for the interview; and further they are encouraged to observe carefully the actions and reactions of the children at the physical examination, which may casually reveal their moral character, breeding or home training in the motion or expression unconsciously shown on such an occasion. The appraisal of the character of a

child by the combined results of such examinations and observations will be quite adequate, and misgivings entertained by some as to the possibility of giving advantage only to smart answers at the oral test will prove unfounded.

3. Physical Examination

Physical examination shall be made as to disease or abnormal conditions, bodily development and nourishment, and physical faculties of the child, particularly the existence of diseases or abnormal conditions. It may be feared by some that in the physical examination, those who are weak or crippled, those who stammer, or possess decayed teeth will be handicapped. This is absurd, for the purpose of the physical examination is to determine the fitness or unfitness of the applicant for the pursuit of study in the secondary school, and nothing more.

The eligibility of the applicant for entrance is decided after the results of the three aforementioned tests are considered and equal importance is given to each of them. Occasions arise in which equal judgment falls upon a certain number of the applicants. For instance, a middle school may have 200 applicants for the admission of 100 boys, and 10 boys may get the same mark in the appraisal of the examination committee as eligible to the 100th order of superiority. Then there is no better way than drawing lots to decide which one of the ten is to be chosen. Such a method is usually disapproved by educators as fostering the idea of speculation in the minds of the young, but in this instance it is not employed from the outset in place of examinations but is used only as the last means of selection after examinations. No difficulty, therefore, will ensue from such a method, but, on the contrary, it may do away with all the past evils which have resulted from the forcible efforts to find demarcations of superiority among the winners of equal rank by going into details of grading records of children with plastic minds and immature constitutions and whose character is still in the building.

Operation of the New Method

A special committee will be organized in each prefectural government to study and investigate proper measures for the effective operation of the new method in accordance with the regulations stipulated in the Order of the Department of Education, and in conformity with local conditions. The local committee is authorized with the power of guiding and supervising the operation of the new method in secondary schools and of inspecting the results thus obtained, so

that it may be carried out in the fairest and most appropriate way. No less essential factor for the successful operation of this new method, however, is the intelligent understanding and hearty cooperation of the parents who are anxious to give their children a secondary and higher education. An effort will be made, accordingly, to awaken them to the importance of their share in this relation and of their responsibility as guardians of the growing generation who are to shoulder the future destiny of our nation.

ADJUSTING THE CONSUMPTION OF ELECTRIC POWER

ELECTRICITY BOARD

WHAT is of prime importance in modern warfare, as has often been said, is the proper reorganization of the entire national structure, so that every advantage may be taken of the country's resources and strength to ensure an ultimate victory. Accordingly, the industrial system must be so arranged that military requirements can be adequately supplied with the least impediment. However, it often happens, in the course of prolonged hostilities, that the demand for munitions far outdistances the supply, despite the best efforts of the Government and the people. To guard against such extremities, it is necessary to control, as early as possible, the indiscriminate consumption of materials that can be turned to military use.

The plan enforced by the Japanese Government since June, 1938, for mobilization of materials has been worked out with these considerations in mind. Operating in coordination with the programme for expansion of productive power, it forms an essential part of the wartime economic policy. In other words, it aims, on the one hand, at expansion of productive power so that materials necessary for carrying out the current national purpose may be sufficiently supplied and, on the other, at making the most effective use of materials by giving priority to industries urgently required by the mobilization plan, thereby eliminating waste and adjusting distribution and consumption.

As matters now stand, it is natural that electric power should be regarded as one of the most important items requiring effective control or adjustment in consumption. The importance of electric power in modern industries can hardly be exaggerated, to say nothing of the rôle it plays in the everyday life of the people. Under pressure of increasing military requirements since the outbreak of the China Affair, many new industrial plants have been put up, while old ones have been expanded, with the result that demand for electric power for industrial use has enormously increased. In contrast to this, the erection or enlargement of power plants and transmission equipment cannot be carried out on a large scale, because so much iron and copper as well as

labour are urgently needed for other purposes. In the case of the thermal generation plant, an enormous amount of coal would additionally be required. Under present circumstances, it would be well-nigh impossible to appropriate these requisites for increasing the supply of electric power; hence the control and adjustment of non-urgent and unproductive consumption of power.

A New Ordinance

In view of the importance of ensuring an adequate supply of this most essential power in modern industry in peace time as well as in time of war, the Government has placed all enterprises for the generation and transmission of electric power under State control since April, 1938,[1] and the Ordinance for Adjustment of Electric Power, promulgated recently, is a measure for ensuring efficiency as well as economy in consumption of power under the current emergency. The Ordinance thus empowers the Government to control the supply of power in favour of the more urgent industrial activities, and against those for non-urgent or unproductive purposes. In short, electric power in this country has now been placed by the Ordinance in the same category as other important commodities controlled by the National General Mobilization Law.

The greater volume of electric power generated in Japan is produced by hydraulic generation. Owing to the severe drought experienced this year in some parts of the country, most of the hydraulic plants suffered a sudden decline in the available volume of water. This is particularly to be regretted when it is considered that the demand for power has become overwhelmingly great since the occurrence of the China Affair. The thermal plants likewise have suffered from the scarcity of coal and were unable to make up for the shortage in hydro-electricity. Thus despite adequate generating equipment, both hydraulic and thermal, for meeting the increasing demands for power, the relation between supply and demand has been dislocated to some extent. This lack of coal and water is, however, temporary; but as it is certain that the demand for power by the expanding industries will continue to increase, plans have been made for the construction of new plants and the expansion of the existing equipment. The requisite materials and labour, however, are so difficult to obtain at present that the Government has been compelled to take steps, along with expansion plans, to restrict or

[1] See for reference an article entitled "On the National Electric Power Policy," in the January, 1938, number of TOKYO GAZETTE.

prohibit all non-urgent and unproductive consumption, as has been previously explained, in order to meet the urgent requirements.

The Ordinance for Adjustment of Electric Power is instituted on the basis of the National General Mobilization Law, and by virtue of the ordinance orders shall be issued when necessary by the Minister of Communications in regard to the generation, distribution and consumption of electric power.

Essential Points of the Ordinance

The important provisions in the Ordinance may be summed up in the following three categories: (1) Provisions regarding orders to be issued for adjustment of the supply and demand of electric power; (2) Provisions for adjusting interests involved in the regulation of the supply and demand; and (3) Provisions governing the commission for adjustment of electric power.

Following is a brief explanation of these categories:

1. Provisions Regarding Orders to be Issued for Adjustment of the Supply and Demand of Electric Power

(a) Orders to be Issued to Consumers of Electric Power

Provisions for the issuance of orders by the Minister of Communications to consumers of electric power, regarding the area, period, use, etc. are prescribed in Article 3 of the Ordinance. The control or adjustment of the consumption of electric power, however, shall be carried out impartially according to the degree of necessity or urgency in each case. In issuing orders, therefore, for restricting consumption, the Minister of Communications shall not place special restrictions on the consumption of particular individuals, but shall restrict the consumption generally in the area, period and use stipulated in the orders.

In adjusting or restricting consumption, the important point is to determine correctly whether a sufficient supply of power shall be ensured, or whether it shall be restricted or even prohibited. For determining this, the whole range of consumption has been classified into four kinds according to the degree of importance in connection with the current emergency. Thus the adjustment or control of power consumption and supply is to be carried out in accordance with priority based on the classified list prepared by the Electricity Board in consultation with the related authorities. The second clause of Article 3 prescribes that suppliers of electric power shall cooperate with the authorities in adjusting consumption.

(*b*) *Orders to be Issued to Suppliers of Electric Power*

Orders shall be issued by the Minister of Communications for the adjustment of supply and demand of electric power. Under present conditions it is essential not only to plan for the increased generation of power, but to restrict the consumption of electricity for non-urgent or unproductive purposes, so that an adequate supply of power may be made available for the munitions industries.

The first clause of Article 4 in the present Ordinance was drawn up with these ends in view. With regard to increasing the supply capacity itself, appropriate orders shall be issued for the construction of new power plants and transmission lines in accordance with the Law for Control of Electric Power and the Law Concerning the Japan Electricity Generation and Transmission Co., Ltd. The second clause of Article 4 of the present Ordinance further empowers the Minister of Communications to give directions, when necessary, as to the method of supplying or receiving power, and to order industrial plants to provide distribution lines for their exclusive use, etc., so that restriction or prohibition of supply may be facilitated.

(*c*) *Orders to be Issued to Electric Railway Enterprises or to Those Having Electric Facilities for Their Own Use.*

By "those having electric facilities for their own use" is meant those concerns which are not generating or transmitting electricity as business enterprises, but who own power plants and transmission equipment for their private use, such as an electric railway company, which neither generates nor transmits power for the use of others. In case of emergency, however, their cooperation in the mobilization of power is made obligatory, so that complete and effective use may be made of all electric resources and equipment.

Article 5 of the Ordinance provides for the operation of such measures. Accordingly, when electric power generated by the power industry is found insufficient to meet the demand, the Minister of Communications may, by virtue of Article 5, order those who generate power for their own consumption (and who have enough to spare), to use their generating capacities to the full in order that the surplus may be supplied to those who lack electric power.

(*d*) *Orders to be Issued Concerning Electric Machines, Tools, and Appliances.*

In mobilizing electric power, the electric machines, tools, and appliances belonging to concerns engaged in the power industry

and those owning them for their private use, must be utilized to the fullest extent, so that the maximum production of power, with consequent economy in materials, will result. This is the purport of the first clause of Article 7 in the present Ordinance, which provides for the issuance of orders to the power interests and others to lease or sell their idle electric machines, tools and appliances to those who need them.

2. Adjustment of Interests Involved in the Regulation of the Supply and Demand of Electric Power

(*a*) *Consultation of Parties Interested and Arbitration by the Minister of Communications.*

By virtue of the second clause of Article 4 of the Ordinance, the Minister of Communications may issue orders to install equipment for supplying or receiving electric power. When such installation is called for, the allotting of expenses shall be carried out impartially between the supplying and the receiving parties. The apportioning of expenses shall be decided upon by consultation among the interested parties themselves, and if a decision cannot be reached, the Minister of Communications shall arbitrate. When electric apparatus, tools, or appliances are ordered to be leased or sold in accordance with the first clause of Article 7, a similar procedure shall be followed in deciding rent or prices.

(*b*) *Orders to be Issued Regarding Rates and Other Terms for the Supply of Electric Power.*

When the consumption of electric power or its supply is restricted, it is often necessary to alter the rates and other terms for supply. In such a case the parties concerned are apt to find difficulty in determining appropriate rates and other terms. Should difficulties of this kind arise, Article 8 of the Ordinance provides for the issuance of orders by the competent authorities to decide the matter.

(*c*) *Provisions for Compensation of Losses*

As a result of the operation of measures provided for in Articles 4 and 5 and the first clause of Article 7 of the Ordinance, losses may be sustained by the parties concerned. These losses shall be compensated for by the State in so far as they are caused through the operation of the provisions in Article 27 of the National General Mobilization Law. No compensation shall be made for losses incurred as a consequence of the restriction or prohibition of con-

sumption prescribed in Article 3 of the Ordinance; for, in this case, the restriction or prohibition is applicable to general consumers, and not to any particular consumer. Moreover, in times of emergency, it is considered the duty of the people to bear the burden generally. The amount of compensation to be made shall be determined on recommendation by the Compensation Commission as prescribed in the National General Mobilization Law. Applications for compensation shall be made to the competent authorities, in principle, within a fixed period.

3. Commission for Adjustment of Electric Power

As the adjustment of electric power has an important bearing on the economic conditions of the people, it is worthwhile for the Government and the people to make a joint study as to the best method of effecting adjustment. Accordingly, Article 13 of the present Ordinance provides for the formation of the Commission for Adjustment of Electric Power, to function as an advisory organ for matters of importance connected with the enforcement of the Ordinance.

There are two kinds of commissions, namely central and local. The Central Commission shall be established in Tokyo, and local commissions in eight districts, viz. Kanto, Chubu, Kinki, Chugoku, Shikoku, Kyushu, Tohoku, and Hokkaido. Each commission, whether central or local, shall be composed of officials, men of expert knowledge and experience, and representatives of the power interests and consumers. Each local commission functions as an advisory organ to the Director of the District Bureau of Communications.

No penal clauses are contained in the present Ordinance. It should be noted, however, that any infringement of the orders based on its provisions shall be dealt with in accordance with the penal clauses contained in the National General Mobilization Law.

CHANGE IN THE EXCHANGE BASIS OF THE YEN

DEPARTMENT OF FINANCE

ON October 24, 1939, the Japanese Government decided to change the basis of the yen, which had been linked with the pound sterling, to the United States dollar at the rate of 23 7/16 cents, and exchange banks began doing business on this new basis on the 25th of the same month.

Hitherto linked with the British currency, the exchange value of the yen had been stabilized at 1 shilling 2 pence since the latter half of 1934. The importance of maintaining this basis as a national policy, however, became more distinctly felt about 1937, and both the Government and people exerted every effort to keep the rate at that level, with the result that the stability of foreign exchange contributed not a little to the smooth operation of Japan's war-time economy. For stabilization of the exchange value of a nation's currency, it is necessary to maintain it on some fixed basis linked with the money of some other country, the international value of which is comparatively well stabilized. The money with which it is to be linked should also be a free currency used in all international accounts. Another requisite is that there should be a substantial volume of trade, both visible and invisible, between the two countries of correlative currency.

These conditions in the case of Japan were amply fulfilled by the British currency and the exchange rate of the yen had long been fixed on the basis of the pound sterling, until the recent change to the United States dollar.

The European Crisis and British Currency

When the yen was fixed at 1 shilling 2 pence, its value compared with currencies of other countries was, of course, calculated in terms of the pound. The exchange rate of the yen to the United States dollar, for instance, was regulated at that time by the Anglo-American cross-rate, and the value of the yen against the dollar fluctuated according to the rise and fall of the cross-rate. In recent years, however, the cross-rate was kept quite stabilized, and although British money dropped considerably in relative value in September, 1938, due to political instability in Great Britain, the rate

continued on the level of 4.68 dollars after September, 1938, until recently. Under these circumstances the exchange rate of the yen as against the dollar as well as the pound had been maintained quite evenly, until British money was violently affected in its international value by the European crisis centring around German-Polish relations which was followed by the British and French declaration of war against Germany.

The cross-rate of the pound to the dollar in consequence declined from 4.68 to 3.82 dollars for a time, and the value of the yen, based as it was on the pound, could not help but suffer a commensurate depreciation as against the dollar.

Great Britain, on the other hand, carrying out a comprehensive control of her international exchange, fixed the selling rate of the pound at 4.02 dollars as from September 5, and the purchase rate at 4.06 dollars, the latter being changed to 4.04 dollars on the 14th of the same month. The value of the pound thus appeared stabilized and was thought to be able to continue unaltered for some time at least. The pound, however, began to fluctuate in the New York market, and the situation would admit of no optimistic view. As the war progressed grave apprehensions came to be entertained as to the future value of British currency.

Basic Factors for Linkage Disappeared

Previous to the recent linking with the dollar, Japan's international accounts were settled through London and also New York, so that the unobstructed movement of money between Great Britain and the United States was essential for the smooth settlement of these accounts. Great Britain, however, took steps, in the meantime, to meet the necessities of a prolonged war by strengthening her control over the outflow of money. Thus, this movement of international capital was considerably checked, and Japan in consequence was compelled to reconsider the matter of international transactions as it had become difficult for her to depend on the pound as the basic standard for the yen.

As explained, the yen was linked with the pound sterling, because British currency was in common use among nations, and the pound areas covered the majority of the countries with which Japan's foreign trade was mainly conducted. Above all the pound was the medium most stabilized in international value. When, however, British currency not only lost its former stability in exchange value but also was in danger of being boycotted by countries

with which she was at war, the grounds for linking the yen with the pound became untenable.

Change as a Matter of Convenience

These circumstances obliged Japan to find some foreign currency other than the pound, on which the exchange value of the yen could be standardized. As a matter of fact, the United States dollar has recently been more closely associated with Japan's foreign trade, both visible and invisible, than the pound and this tendency may well be expected to continue. Moreover, the increasing difficulty of relying on the London market in the matter of exchange capital makes New York the only clearing house for the overseas financial transactions of Japan.

Further, the dollar is a free currency and its stability in international value is generally recognized. Therefore there is nothing very startling or extreme about the choice of the American currency by Japan as a basis for the exchange value of the yen.

In changing the exchange basis to the dollar, every possible effect that it might have on the foreign trade and general economic conditions of this country has been taken into consideration, and it has been concluded that the rate of 23 7/16, which was the T.T. value maintained since September 28, 1939, is the most appropriate and least likely to affect the *status quo*.

As a consequence of the change, greater facilities will be enjoyed in the transactions between Japan and the dollar areas, which constitute the bulk of the overseas commerce of this country. On the other hand, more or less inconvenience may be felt in trade with the pound areas. The change in the linkage, however, is of no political significance whatever but is only a matter of convenience, and Japan is prepared to do whatever is necessary to alleviate inconvenience in the promotion of commercial transactions with British-currency countries.

ORDINANCE PERTAINING TO CONTROL OF PRICES, ETC.

(Imperial Ordinance No. 703)

ARTICLE 1. The issuance of necessary orders relative to prices, carriage charges, storage, premium for insurance against loss, rentals or charges for workmanship (hereinafter referred to as prices, etc.), by virtue of the provisions of Article 19 of the National General Mobilization Law (including those cases where the matters are referred, in the South Sea Islands, to the provisions of Imperial Ordinance No. 317 of 1938 (the 13th Year of Showa), same context following) shall be in pursuance of the provisions of the present ordinance unless otherwise prescribed.

ARTICLE 2. Prices, etc. shall not be contracted, paid or received in excess of the amount as of September 18th of 1939 (the 14th Year of Showa) (hereinafter referred to as the designated day), provided, however, that in the cases where the persons paying or receiving the prices, etc. have obtained the permission of the administrative authorities according to the provisions of the Cabinet ordinance and also where the contracts existing at the time when the present ordinance takes effect fall within the purview of any one of the following numbers, this stipulation shall not prevail :

1. Those contracts on the basis of the prices of therein ordered products of which the producers have already commenced production ;
2. Those contracts on the basis of other prices of which the purchasers or other persons paying the prices have already taken delivery of the objects ;
3. Those contracts on the basis of the carriage charges or charges for workmanship of which the carriers or the workmen have already taken delivery of the objects ;
4. Those contracts on the basis of the storage, premium for insurance against loss or rentals of which the persons making the payment thereof are in default of performance.

The amount as of the designated day as mentioned in the foregoing paragraph shall be determined individually for each recipient on the basis of the amount of the prices, etc. receivable by him and it shall be the contract amount in the case where the contracts concluded on the designated day exist (in case where there are several contract-amounts under the same circumstances, the highest), and in the event of there being no contract as concluded on the designated day, it shall be such amount as would have been contracted for.

In case where there is no such amount of the prices, etc. as determinable in accordance with the provisions of the foregoing paragraph, the amount determinable by Cabinet ordinance shall be the amount of the designated day.

ARTICLE 3. Where associations of merchants, industrialists or agriculturalists etc. or bodies of persons with similar status have, according to the provisions of the Cabinet ordinance, determined such amount as available in lieu of the amount prescribed in Paragraph 2 or Paragraph 3 of the foregoing article and have obtained the approval of the administrative authorities, the same shall be deemed to be the amount as of the designated day in so far as such associations or bodies and the components thereof are concerned (in case the component itself is an association or a body with a similar status, such component shall be included as well, the same stipulation also prevailing in the case of Paragraph 2 hereof).

In accordance with the provisions of the Cabinet ordinance, the administrative authorities may, when deemed necessary, consider the amount as based on the provisions of the foregoing paragraph to be the amount as of the designated day also in respect of those who are not the components of the associations or bodies with the similar status of merchants, industrialists, agriculturalists etc., even if qualified, so far as that particular territory governing the same associations or bodies are concerned.

In the case of disposition having been effected in accordance with the provisions of the foregoing paragraph, when the amount as based on the provisions of Paragraph 1 hereof changed, the amount as mentioned in the foregoing paragraph shall be deemed to have been altered to the amount so changed.

The approval granted in accordance with the provisions of Paragraph 1 hereof or the disposition effected in accordance with the provisions of Paragraph 2 hereof shall not affect those contracts existing at the time when these dispositions are enforced if they fall within the purview of any one of the numbers mentioned in the proviso to Paragraph 1 of the foregoing article at that time.

ARTICLE 4. Where the amount as of the designated day (excluding those which are deemed to be such in accordance with the provisions of Paragraph 1 or Paragraph 2 of the foregoing article or of Article 20) is regarded conspicuously unreasonable, the administrative authorities may, in accordance with the provisions of the Cabinet ordinance, lower that amount, provided, however, that those contracts existing at the time when the decrease is actually enforced shall not be affected if they fall within the purview of any one of the numbers mentioned in the proviso to Paragraph 1 of Article 2 at that time.

ARTICLE 5. The provisions of the foregoing three articles shall not prevail with respect to such prices of negotiable instruments and rentals, value of land and buildings and the prices, etc. as are specified by Cabinet ordinance.

ARTICLE 6. Prices, etc. shall not, in spite of the provisions of Article 2 to 4, be contracted, paid or received in excess of the amounts as are determined by other laws or ordinances, or of the amounts as provided by the decision, order, permission, approval or as otherwise disposed of by the administrative authorities in accordance with the provisions of any other laws or ordinances, provided, however, that the dispositions effected after

the enforcement of the present ordinance shall not affect those contracts existing at the time when such dispositions are enforced if they fall within any one of the numbers mentioned in the proviso to Paragraph 1 of Article 2 at that time.

Such other laws or ordinances as mentioned in the foregoing paragraph shall be specified by Cabinet ordinance.

ARTICLE 7. Excepting the cases prescribed in the foregoing article, where the administrative authorities have determined the amount of prices, etc. (unless the price of negotiable instruments and rentals, same context following) according to the provisions of the Cabinet ordinance, prices, etc. shall not be contracted, paid or received in excess of such amount, the provisions of Article 2 to 4 notwithstanding, provided, however, that this stipulation shall not prevail where the persons paying or receiving the prices, etc. have obtained the permission of the administrative authorities in accordance with the provisions of the Cabinet ordinance.

The determination as mentioned in the foregoing paragraph shall not affect those contracts which exist at the time when the determination is enforced if they fall within the purview of any one of the numbers mentioned in the proviso to Paragraph 1 of Article 2 at that time.

ARTICLE 8. Alterations in the terms of payment, or of delivery or other terms of contract (unless those which are based on such other laws or ordinances as prescribed in Article 6 and those determined by the decision, order, permission, approval or other disposition of the administrative authorities by virtue of other laws or ordinances), if prejudicial to the interests of the persons paying, shall be deemed to be raising the prices, etc. to that extent.

ARTICLE 9. On no pretext or ground shall an act be committed for evading the prohibitions as provided for in Article 2, Article 6 or Article 7.

ARTICLE 10. The competent Minister may, when deemed necessary, order the cost-taking in relation to prices, etc. in accordance with the provisions of the Cabinet ordinance.

ARTICLE 11. The administrative authorities may, when deemed necessary, take the reports relative to production, sale, carriage, storing, renting, insurance against loss or the work performed in accordance with the provisions of Article 31 of the National General Mobilization Law or may send the government officials concerned to factories, places of work, sales offices, warehouses, business-offices or any other places for inspection of the conditions of business, books and documents and/or any other articles relative thereto.

When the Government officials concerned are sent for inspection or examination in accordance with the provisions of the foregoing paragraph, they shall be made to carry a certificate in proof of their status.

ARTICLE 12. The present ordinance shall not prevail in respect of the prices, etc. mentioned hereunder:

1. Exchange quotations prevalent at the Exchange or at such rice and/or cereal markets as established and conducted by the Nippon

Rice & Cereal Kabushiki Kaisha or the Chosen Rice & Cereal Market Kabushiki Kaisha;

2. Prices for the transactions covered by export and import as between places other than the Kwantung Leased Territory, Manchoukuo and China and the territory where the present ordinance prevails, and carriage charges governing as between these territories;
3. Other prices that shall be governed by Cabinet ordinance.

ARTICLE 13. The present ordinance shall not be applied to those parties to contracts who do not make the particular contracts for profit-making, provided, however, that this stipulation shall not prevail where making that particular contract constitutes a part of his business affairs.

ARTICLE 14. Necessary matters concerning the enforcement of the present ordinance, other than those which are prescribed in the present ordinance, may be prescribed by Cabinet ordinance.

ARTICLE 15. The Ministers shall, in so far as the enforcement of the present ordinance is concerned, be respectively competent in accordance with the provisions contained in the following numbers:

1. Minister of Agriculture and Forestry with respect to the matters pertaining to the price of agricultural, forestry or aquatic products handled for sale by persons producing agricultural, forestry or aquatic products and juristic persons organized by them and also to the price of articles used exclusively in agricultural, forestry or aquatic industries;
2. Minister of Commerce and Industry and Minister of Finance with respect to the matters pertaining to the prices of *sake* and its kinds and alcohol as governed by the Sake Brewery Tax Law and of alcohol and beverages containing alcohol as governed by the Alcoholic Beverage Tax Law;
3. Minister of Commerce and Industry and Minister of Welfare with respect to the matters pertaining to the prices of medicines;
4. With respect to the matters pertaining to carriage charges and to storage and rentals as related directly to carriage, the Minister of Railways in the case of land-carriage and the Minister of Communications in the case of water-carriage and air-carriage;
5. Minister of Agriculture and Forestry with respect to the matters pertaining to the prices and rentals of fields, irrigated or not, forests and plains, rentals of live-stock, storage in warehouses of agricultural, forestry or aquatic products (excluding the warehouses operated by warehouseman or by juristic persons organized by merchants and/or industrialists) and also to the work performed upon agricultural, forestry or aquatic products and upon articles used exclusively in agricultural, forestry or aquatic industries;
6. Minister of Communications with respect to the matters pertaining to the prices and rentals of ships, provided, however, that the Minister of Agriculture and Forestry and the Minister of Communications shall be jointly competent for the matters pertaining to the sales-prices and rentals of fishing boats of less than 20 tons gross;

7. Minister of War or Minister of the Navy, as the case may be, with respect to the matters as prescribed in Article 2 if they relate to such arms, ammunitions, and/or ships, etc. as deemed necessary for protection of military secrets ;
8. Minister of Commerce and Industry with respect to the cases other than those prescribed in any of the foregoing numbers ;
9. The competent Ministers as specifically mentioned in the particular laws or ordinances with, respect to the matters pertaining to prices, etc. as prescribed in such laws or ordinances as provided in Article 6, the provisions of any of the foregoing numbers notwithstanding.

ARTICLE 16. The term "competent minister" as mentioned in the present ordinance, except the cases of No. 7 of the foregoing article, shall mean the Governor-General of Chosen in the case of Chosen, the Governor-General of Taiwan in the case of Taiwan, the Governor of the Government of Karafuto in the case of Karafuto, and the Governor of the Government of the South Sea Islands in the case of the South Sea Islands ; and the term "Cabinet ordinance" the Government-General ordinance in the case of Chosen or Taiwan and the Government ordinance in the case of Karafuto or of the South Sea Islands.

SUPPLEMENTARY PROVISIONS

ARTICLE 17. The present ordinance shall be enforced as from October 20th of 1939 (the 14th Year of Showa) provided, however, that the same shall be enforced as from October 27th of 1939 (the 14th Year of Showa) in the case of Chosen, Taiwan, Karafuto and the South Sea Islands.

ARTICLE 18. The provisions of Articles 2 to 4 shall remain in force until October 19th of 1940 (the 15th Year of Showa), provided, however, that the same shall remain in force even after the said day in regard to the application of the penal clauses concerning such acts as have been committed prior to the said day.

ARTICLE 19. The ordinances mentioned hereunder shall be abolished :

Ordinance No. 42 of the Department of Agriculture and Forestry of 1939 (the 14th Year of Showa) : the Regulations Governing the Sales-prices of Agricultural, Forestry and Aquatic Products and of Articles Used in Agricultural, Forestry or Aquatic Industries ;

Ordinance No. 24 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa) : the Regulations Governing the Sales-prices of Cotton Yarn ;

Ordinance No. 31 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa) : the Regulations Governing the Sales-prices of Staple-fibre Yarn ;

Ordinance No. 56 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa) : the Regulations Governing the Sales-prices of Commodities.

Ordinance No. 63 of the Department of Commerce and Industry of

1938 (the 13th Year of Showa): the Regulations Governing the Sales-prices of Artificial-silk Yarn;

Ordinance No. 75 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Governing the Sales-prices of Woollen-yarn;

Ordinance No. 63 of the Department of Commerce and Industry of 1939 (the 14th of Showa) the Regulations Governing the Sales-prices of Silk-yarn;

Ordinance No. 218 of the Government-General of Chosen of 1938 (the 13th Year of Showa): the Regulations Governing the Sales-prices of Commodities in Chosen.

Ordinance No. 63 of the Government of Karafuto of 1938 (the 13th Year of Showa): the Regulations Governing the Sales-prices of Commodities.

Ordinance No. 38 of the Government of the South Sea Islands of 1938 (the 13th Year of Showa): the Regulations Governing the Sales-prices of Commodities of the South Sea Islands.

The provisions mentioned hereunder shall be repealed:

Article 9 and Article 10 of Ordinance No. 45 of the Ministry of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Governing Control of Distribution of Hides and Leathers:

Article 8 and Article 9 of Ordinance No. 31 of the Government-General of Chosen of 1939 (the 14th Year Showa): Regarding Matters Pertaining to Control of Distribution of Hides and Leathers in accordance with the provisions of Article 2 of the Law No. 92 of 1937 (the 12th Year of Showa);

Article 5 and Article 6 of Ordinance No. 84 of the Government-General of Taiwan of 1938 (the 13th Year of Showa): the Regulations Pertaining to Control of Distribution of Hides and Leathers;

Article 6 and Article 7 of Ordinance No. 36 of the Government of Karafuto of 1939 (the 14th Year of Showa): the Regulations Pertaining to Control of Distribution of Hides and Leathers.

The ordinances and provisions mentioned in the foregoing two paragraphs shall remain in force even after the enforcement of the present ordinance in regard to the application of the penal clauses concerning such acts as have been committed prior to the enforcement of the present ordinance.

ARTICLE 20. The sales-prices as of the day designated by the Minister of Agriculture and Forestry, the Minister of Commerce and Industry, the Governor-General of Chosen, the Governor-General of Taiwan, the Governor of the Government of Karafuto or of the Government of the South Sea Islands in accordance with the provisions mentioned hereunder shall be deemed to be the amount as of the designated day of Article 2:

Article 1 of Ordinance No. 42 of the Department of Agriculture and Forestry of 1939 (the 14th Year of Showa: the Regulations Pertaining to the Sales-prices of Agricultural, Forestry or Aquatic products and Articles Used in Agricultural, Forestry or Aquatic Industries;

Article 1 of Ordinance No. 56 of the Department of Commerce and

Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;

Article 1 of Ordinance No. 218 of the Government-General of Chosen of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities in Chosen;

Article 1 of Ordinance No. 114 of the Government-General of Taiwan of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;

Article 1 of Ordinance No. 63 of the Government of Karafuto of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;

Article 1 of Ordinance No. 38 of the Government of the South Sea Islands of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities in the South Sea Islands.

ARTICLE 21. The designation or permission of sales-prices exercised by the Minister of Agriculture and Forestry, the Minister of Commerce and Industry, the Governor-General of Chosen, the Governor-General of Taiwan, the Governor of the Government of Karafuto, the Governor of the Government of the South Sea Islands, the Prefectural Governors, the Prefectural Governors of the Government-General of Chosen, the Prefectural Governors of the Government-General of Taiwan or the Governor of its detached government, or the Director of the detached offices of the Government of the South Sea Islands, in accordance with the provisions mentioned hereunder, shall be deemed to be such designation or permission pertaining to the amount of prices as exercised by the competent administrative authorities in accordance with the provisions of the proviso to Article 2, Paragraph 1, or Article 7, Paragraph 1, provided, however, that the Cabinet ordinance may otherwise prescribe:

Article 1 of Ordinance No. 42 of the Department of Agriculture of 1939 (the 14th Year of Showa): the Regulations Pertaining to the Sales-prices of Agricultural, Forestry and Aquatic Products and of Articles Used in Agricultural, Forestry and Aquatic Industries;

Article 1, Paragraph 2 of Ordinance No. 24 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Cotton yarn;

Article 1, Paragraph 2 of Ordinance No. 31 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Staple-fibre and Staple-fibre-yarn;

Article 9 of Ordinance No. 45 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to Control of Distribution of Hides and Leathers;

Article 1 of Ordinance No. 56 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;

Article 1, Paragraph 2 of Ordinance No. 63 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Artificial-Silk-yarn;

Article 1, Paragraph 2 of Ordinance No. 75 of the Department of Commerce and Industry of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Woollen-yarn;
Article 1, Paragraph 2 of Ordinance No. 63 of the Department of Commerce and Industry of 1939 (the 14th Year of Showa): the Regulations Pertaining to the Sales-prices of Silk-yarn;
Article 1 of Ordinance No. 218 of the Government-General of Chosen of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities of Chosen;
Article 8 of Ordinance No. 31 of the Government-General of Chosen of 1939 (the 14th Year of Showa): Regarding Matters Pertaining to Control of Distribution of Hides and Leathers as Based on the Provisions of Article 2 of Law No. 92 of 1937 (the 12th Year of Showa);
Article 5 of Ordinance No. 84 of the Government-General of Taiwan of 1938 (the 13th Year of Showa): the Regulations Pertaining to Control of Distribution of Hides and Leathers;
Article 1 of Ordinance No. 114 of the Government-General of Taiwan of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;
Article 1 of Ordinance No. 63 of the Government of Karafuto of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities;
Article 6 of Ordinance No. 36 of the Government of Karafuto of 1939 (the 14th Year of Showa): the Regulations Pertaining to Control of Distribution of Hides and Leathers;
Article 1 of Ordinance No. 38 of the Government of the South Sea Islands of 1938 (the 13th Year of Showa): the Regulations Pertaining to the Sales-prices of Commodities of the South Sea Islands;

(For reference):

Extracts from the Law No. 55: the National General Mobilization Law as promulgated on April 1st, 1938 (the 13th Year of Showa):

ARTICLE 19. The Government may, in time of war, when deemed necessary for national general mobilization, issue necessary orders in connection with prices, carriage charges, storage, insurance premia, rentals or charges for workmanship according to the provisions of the Imperial Ordinance.

ARTICLE 31. The Government may, when deemed necessary for national general mobilization, demand reports or send the officials concerned to necessary places for inspection of the conditions of business or books, documents or any other articles in accordance with the provisions of the ordinance.

Imperial Ordinance No. 317 as promulgated on May 4, 1938 (the 13th Year of Showa) relates to matters pertaining to national general mobilization as enforced in the South Sea Islands.

TRAINING OF TECHNICAL EXPERTS

DEPARTMENT OF EDUCATION

DEVELOPMENT of Japanese industry, which had been noteworthy following the Manchurian Affair, was given a further impetus by the outbreak of hostilities in China. The sudden growth of the munitions industry, in particular, has created such a heavy demand for experts in mechanical and electrical engineering, applied chemistry, mining and metallurgy, that there has been an acute shortage of trained men. The following are measures taken by the Government during the past few years to ensure an adequate body of expert technicians for the nation's war-time industries.

Temporary Measures Taken in 1937

In June, 1937, just before the outbreak of the China Affair, the Government drafted a temporary programme for the training of more experts in order to meet the shortage, which, even then, had begun to make itself felt. When the hostilities broke out, the authorities formulated a general policy for the training of technical experts in consonance with government plans for the expansion of productive power, and the bill was approved by the Diet, which convened on July 25th.

Under this emergency programme the "second department," comprising 50 shorter courses, was instituted in 45 technical schools of secondary grade throughout the country, for which purpose State aids amounting to half the expenses required were granted. On the other hand, temporary training courses for technical experts were provided in 16 out of the 18 higher technical schools. Also, to make up for the shortage of instructors in workshop practice in the mechanical engineering course of secondary technical schools a temporary training course was started for them in the Tokyo Higher Technological School. All these new courses made use of the existing equipment and aimed at short-term training at minimum expense. As a result, in March, 1938, more than 2,000 technicians were trained and sent out as shown in the table on the following page.

Programme for the 1938-39 Fiscal Year

In the year beginning April, 1938, the demand for technicians became so urgent that the existing institutions for training and the

emergency measures outlined above were found inadequate. Furthermore, as the programme for mobilization of materials for the 1938-39 fiscal year called for the development of resources in Japan proper, Korea, and Manchoukuo the pressing need for training more

COURSES ADDED IN 1937–38

Courses of Study	Shorter Courses in Higher Tech. Schools		"Second Dep't" in Middle-Grade Tech. Schools		Course for Workshop Practice Instructors		Total	
	No.	No. of Students	No. of Courses	No. of Students	No.	No. of Students	No. of Courses	No. of Students
Mechanical Engineering ...	8	240	28	925	1	40	37	1,205
Electrical Engineering ...	3	90	11	330			14	420
Applied Chemistry	3	90	10	305			13	395
Mining & Metallurgy ...	2	60	1	40			3	100
Total	16	480	50	1,600	1	40	67	2,120

N.B. All courses admit graduates of secondary schools, and the duration of each course is half a year.

experts in coal-mining became apparent. Up to that time there had been only about 80 graduates in mining every year from four or five secondary-grade technical schools and the three higher technical schools : the Meiji Semmon, Akita Mining, and Kumamoto Higher Technical Schools. To meet the growing demand the Government instructed the higher technical schools throughout Japan to increase the number of admissions to regular courses in mechanical and electrical engineering, applied chemistry, mining and metallurgy, instead of continuing the shorter courses started in the previous year. Besides, the opening date of the aircraft engineering course in the Yokohama Higher Technical School was advanced and the number of students admitted for the precision machine course in the Tokyo Higher Technological School was increased. As a result the number of technical students to be trained in the higher technical schools showed an increase by about a thousand. As regards the secondary-grade technical schools, besides the "second department" course which was begun in the previous year, the Government encouraged the introduction of a number of additional courses : 10 new regular courses and 7 special courses in mechanical and electrical engineering and applied chemistry, 8 second regular courses in mining, and 10 new courses in the "second department" of metallurgy. State aids were granted for

the establishment of these additional courses, and altogether an increase of about 1,700 was made possible in the training of technicians in the secondary-grade schools.

COURSES ADDED IN 1938–39

Courses of Study	Higher Technical Schools				Middle-grade Technical Schools	Total
	Additions to Regular Courses	New regular Course	Train. Course for Workshop Practice Teachers	Total		
Mechanical Engineering	16 560	1 15	2 80	19 655	46 1,645	65 2,300
Electrical Engineering	3 90			3 90	16 530	19 620
Applied Chemistry	3 90			3 90	14 425	17 515
Mining	6 180			6 180	19 760	25 940
Metallurgy	1 30					1 30
Aircraft Engineering		1 20	1 20			1 20
Total	29 950	2 35	2 80	33 1,065	95 3,360	128 4,425
Those Qualified for Admission	Middle School Graduates	Middle School Graduates	Middle School Graduates		Middle Sch. or Higher Primary Sch. Graduates	
Term of Study	3 years	3 years	6 months		1–3 years	

N.B. Figures in the top row of each section indicate number of courses; the lower row, number of students.

Programme for the 1939-40 Fiscal Year

With the hostilities in China showing signs of further protraction, it may be assumed that the manufacture of munitions will likewise have to be continued for an indefinite period. Meanwhile, in order to achieve Japan's aim of constructing a new East Asia, it has been found necessary to frame an economic programme coordinating Japan, China, and Manchoukuo. This scheme requires the development of heavy and chemical industries not only in Japan proper, but also in her two continental neighbours. In consequence the demand for technical experts in the industries concerned has grown so rapidly that the temporary or emergency measures which have so far been taken for training them have proved insufficient to meet either present or future needs. Accordingly, the Depart-

ment of Education, keeping in close touch with the Board of Planning and other Government Departments concerned, has worked out a programme for the 1939-40 fiscal year in line with the plan for mobilization of materials, by taking into consideration the existing facilities for training, both permanent and temporary, and the number of trained men likely to be required in the future for carrying out the plans for the expansion of productive power. This new programme was submitted to the 74th Diet and obtained its approval.

As a temporary measure, besides continuing the admission of an increasing number of students to higher technical schools, a similar step was taken in 14 courses of electrical engineering and applied chemistry. This means a large increase in enrolment in the higher technical schools, the use of whose equipment is now double what it was prior to the outbreak of the present hostilities. An evening course for the training of mechanical engineers was also provided in 17 higher technical schools. Further, in order to make up for the shortage of teachers resulting from the additional establishment or expansion of secondary-grade technical schools, a temporary training institute for technical teachers, consisting of mechanical engineering, electrical, engineering and mining courses, was attached to the Kumamoto and Hiroshima Higher Technical Schools.

For the secondary technical schools, too, the temporary measures adopted in previous years were continued. At the same time the Government encouraged the addition of 63 second regular courses, for which the State undertook to provide part of the expenses required, just as it had done in the preceding year. Thus by carrying out the temporary measures on the programme for the 1939-40 fiscal year, the number of technical experts to be trained in schools of both higher and secondary grades is expected to reach nearly 6,000. Still the number is considered insufficient to meet the growing need for technicians in the munitions industry, while the execution of the constructive policy throughout Japan, China and Manchoukuo is expected to absorb a large number of technical experts in the future. In view of these considerations, the Government has put into operation measures of a more permanent nature. In order to produce more technicians of the lower grade in mechanical and electrical engineering, applied chemistry, mining and metallurgy, the authorities encouraged the establishment of new secondary-grade technical schools or the addition of new courses to the existing school curricula. With the cooperation of the prefectural governments and the people, 36 new schools were founded and about 150 courses were added. Out of these latter, 44 courses in mechanical

engineering, 38 in electrical engineering, 2 in applied chemistry, and 27 in mining and metallurgy were granted State aids to cover part of the expenses required for their equipment.

As a permanent measure for the training of higher-class technicians the following new courses were started in 15 out of the 18 higher technical schools throughout the country.

Schools	New Courses Started in April, 1939	New Courses Started in July, 1939
Kyoto	Artificial fibres & precision machines	
Nagoya	Aircraft engineering	
Kumamoto...	Industrial chemistry	
Yonezawa ...	Communications engineering	
Kiryu		Electrical engineering
Hiroshima ...	Machine tools	
Kanazawa ...		Electrical engineering & chemical machinery
Sendai	Industrial chemistry	
Kobe		Precision machines
Hamamatsu...	Communications engineering	Precision machines
Tokushima...	Precision machines	Machine tools
Nagaoka		Machine tools
Fukui		Machine tools & Electrical engineering
Yamanashi ...		Machine tools & precision machines
Akita		Metal industry & electrical engineering
Total	9 courses in 8 schools	13 courses in 9 schools

Appropriations for some of the courses were approved by the Diet as supplementary estimates, and, as shown in the above table, were not opened until last July. Altogether the new courses mean an increase of about 800 students in the total enrolment.

The main item on the 1939-40 programme calls for the founding of seven new higher technical schools, the need for which has long been felt. The establishment of as many as seven new schools at one time shows how remarkable has been the development of industry since the outbreak of the China Affair. As will be seen in the following table, the courses of study offered by these new schools are those dealing with heavy industries included in the Government programme for the expansion of productive power.

Hitherto it took several years to establish a school of collegiate grade, but the seven new ones were founded in a little more than three months. Soon after the bill was approved by the 74th Diet last

March, suitable sites were selected in or near centres of heavy industry, and arrangements for opening, such as the provision of temporary school houses and appointment of teaching staffs, were promptly carried out. Entrance examinations were held during the

THE NEW HIGHER TECHNICAL SCHOOLS
(The figures show the number of students to be admitted)

Courses of Study \ Schools	Muroran	Morioka	Taga	Osaka	Ube	Niihama	Kurume
Mechanical Engineering ..	40	40	40	40	40	40	40
Electrical Engineering ...	40	40	40	40		40	
Industrial Chemistry	40						
Mining	40	40			40	40	40
Metallurgy	40	40				40	
Machine Tools		40			40	40	40
Precision Machines			40	40	40		40
Motors			40	40			
Metal Industry			40	40			
Mining Machinery					40		40

middle of last June and all schools began work about July 10th. The first body of students, numbering some 1,400, will graduate from these institutions in March, 1942, and if those finishing the newly introduced courses be included, the total increase in the number of technical experts to be graduated at the same date will reach 2,200.

The courses of study created in the 1939-40 fiscal year as both temporary and permanent measures and the number of students to be admitted to them are summarized below :—

Courses of Study	Higher Technical Schools		Secondary Technical Schools		Total	
	No. of Courses	No. of Students	No. of Courses	No. of Students	No.of Courses	No. of Student s
Mechanical Engineering..	66	2,520	117	4,815	183	7,335
Electrical Engineering ..	23	835	71	2,820	94	3,655
Applied Chemistry	12	410	36	1,295	48	1,705
Aircraft Engineering ...	2	55			2	55
Mining	12	405	31	1,221	43	1,626
Metallurgy	6	240			6	240
Artificial Fibres	1	35			1	35
Total	122	4,500	255	10,151	377	14,651

Lastly, the following table will convey an idea of the increase which may be expected in the number of technical experts by the

expansion of educational facilities effected in order to keep pace with the rapid growth of Japanese industry.

Courses of Study	Grades of School	Actual No. of Graduates March, 1937	Expected No. of Graduates March, 1941	Expected No. of Graduates March, 1944
Mechanical Engineering	University	400	404	554
	Collegiate	681	1,242	2,692
	Secondary	2,955	8,516	12,333
	Total	4,036	10,162	15,579
Electrical Engineering	University	324	337	442
	Collegiate	427	527	1,517
	Secondary	1,139	3,642	5,619
	Total	1,890	4,506	7,578
Chemistry	University	205	252	480
	Collegiate	437	568	938
	Secondary	782	2,143	3,185
	Total	1,424	2,963	4,603
Mining & metallurgy	University	166	228	268
	Collegiate	99	308	778
	Secondary	121	975	2,065
	Total	386	1,511	3,111
Total	University	1,095	1,221	1,744
	Collegiate	1,644	2,645	5,925
	Secondary	4,997	15,276	23,202
	Total	7,736	19,142	30,871

ORDINANCES RECENTLY PROMULGATED

SECRETARIATE OF THE CABINET

Ordinance Pertaining to Control of Operation of the National General Mobilization Law and Related Measures

(Imperial Ordinance No. 672 of September 30, 1939)

With a view to controlling the operation of the National General Mobilization Law, this Ordinance invests the Prime Minister with authority to call upon other Ministers of State and officials to consult him concerning the issuance, abolition, or amendment of orders necessary for operating these Laws. It also empowers the Prime Minister to give the Departments and other Offices concerned instructions necessary for controlling the operation of the Laws.

Amendment of Part of the Ordinance for Organization of the Department of Home Affairs

(Imperial Ordinance No. 679 of October 2, 1939)

Necessitated by the operation of the Motion Picture Law, this Ordinance provides for the addition, to the official staff, of a secretary, a technical expert, and three clerks who are to be engaged not only in consoring films, as has hitherto been the case, but also in issuing permits, supervising film enterprises, censoring scenarios for film production, registering, guiding and supervising those engaged in film production, and in transacting matters relating to the Motion Picture Commission.

Amendment of Part of the Ordinance for the Organization of the Commission for Safeguarding the Businesses of Those Called to the Colours

(Imperial Ordinance No. 681 of October 3, 1939)

The safeguarding and maintenance of the businesses of those called to the colours should be extended not only to medium-sized and small tradesmen but also to medium-sized and small industrialists. This Ordinance provides for the enlargement of the scope of matters to be taken up for investigation and deliberation by the Commission for Safeguarding the Businesses of Those Called to the Colours. It also provides for a change in the name of the Commission.

Ordinance Pertaining to Control of Prices, Etc.[1]

(Imperial Ordinance No. 703 of October 18, 1939)

In view of advanced prices due to the changing situation at home and abroad, this Ordinance provides for measures prohibiting further increase of prices, freightage, storage, insurance rates, rents, and labour, and for operating extensively and rapidly the control of prices, freightage, etc., based on the regulated rates. This Ordinance went into force on October 20, 1939 (October 27, 1939 in oversea territories).

Ordinance Pertaining to Control of Land and House Rents

(Imperial Ordinance No. 703 of October 18, 1939)

Because of advanced prices due to the changing situation at home and abroad, this Ordinance prohibits further increase of land and house rents, with a view to strengthening further the price policy. This Ordinance went into force on October 20, 1939 (October 27, 1939 in oversea territories).

Ordinance Pertaining to Temporary Measures Concerning Wages

(Imperial Ordinance No. 705 of October 18, 1939)

Due to the changing situation at home and abroad, and the resultant advance in prices, this Ordinance has been issued to check a further increase of workers' wages, with a view to rendering the price policy more adequate. This Ordinance was enforced on October 20, 1939 (October 27, 1939 in oversea territories), and will remain effective till October 19, 1940.

Ordinance Pertaining to Temporary Measures Concerning Salaries and Allowances of Employees of Business Houses

(Imperial Ordinance No. 706 of October 18, 1939)

In view of advanced prices due to changing conditions at home and abroad, this Ordinance has been issued to check a further increase of salaries, allowances, and bonuses of those employed by business houses. It came into force on October 20, 1939 (October 27, 1939, in oversea territories), and will remain effective till October 19, 1940.

1. The full text of the Ordinance is included in this issue of the TOKYO GAZETTE.

ACTIVITIES OF THE JAPANESE NAVAL FORCES ON LAKE TUNGTING

PUBLICITY BUREAU, NAVY DEPARTMENT

Following its successful entry into Hankow on October 25, 1938, the Japanese naval force which pushed up the Yangtze River pursued the Chinese forces which fled upstream. On November 11th, it reached Yochow (Yoyang) on the northeastern shore of Lake Tungting, thus commanding the mouth of the lake. The naval force, which had been standing by for nine months until September 21st, 1939, started a drive toward Lake Tungting and the Siang River in concert with the clean-up campaign launched by the military forces against the Chinese troops in Northern Hunan Province.

Lake Tungting and the Siang River, which flows into it, are among the most difficult of China's inland waters to navigate, because of the complexity and sinuosity of the waterways. Lake Tungting is indeed a large lake, but in the low water season, it is dry with waterways remaining in the form of creeks, which intersect one another here and there. The bottom of the lake then presents a vast expanse of green fields. On the other hand, when the high water season sets in, the lake is full of water. Even then there are shoals which defy the skill of veteran pilots who must cautiously follow a series of nautical marks. The navigable channels are sometimes less than 100 metres in breadth, and once the wrong course is taken the unfortunate vessel is almost invariably stranded.

The River Siang rises in northeastern Kwangsi Province and flows northward via Hengyang, Chuchow, Changsha and Siangyin. It flows into Lake Tungting near Leishihshan and Lukio, and its upper reaches are connected by canals with the North River, which is a tributary of the Pearl River. Thus it forms part of an important waterway system connecting Kwangtung and Kwangsi Provinces in South China, with the Yangtze River. The lower reaches of the Siang River, however, are extremely difficult to navigate, due partly to the sinuosity and partly to its narrowness, which accounts for the existence of whirlpools.

If even in peacetime, the veteran captains of Japanese gunboats find it difficult to sail through Lake Tungting and up the Siang River to Changsha, capital of Hunan Province, it can be imagined how much more difficult such an attempt would be under wartime conditions.

Terror-stricken by the swift Japanese advance on Yochow in November, 1938, the Chungking Government resorted to its usual "scorched earth" policy and reduced the greater part of Changsha city to ashes. The Japanese forces, however, showed no indications of launching a further drive southward from Yochow. This heartened the Chungking Government, which gave up its policy of abandoning Changsha and Ichang and instead

decided to defend them. Since early in 1939, the Chungking Government has laid thousands of mines not only in the Yangtze River, but in Lake Tungting and the Siang River. In addition, the waterways were blocked with booms and other obstructions, while all nautical marks were removed. Both banks on the Yangtze and Siang Rivers were strongly fortified.

Information received by the Japanese navy showed that many mine-fields were laid in Lake Tungting and the Siang River, especially above Lukio,—more than 2,000 mines having been used for this purpose. The Chinese military authorities boastfully declared that not a single Japanese warship should be allowed to pass through these mine-fields and booms.

To do justice to the Chinese military authorities mention should be made of their strenuous efforts to block the waterways with booms, mines and other obstructions and also to fortify the shore of Lake Tungting and the banks of the Siang River. Such obstructions and fortifications, however, failed to check the advance of the Japanese naval forces, which had already pushed up the Yangtze River from Shanghai to Yochow, a distance of 740 miles, by sweeping mine-fields and removing booms. Within a week of the start of its operations, the Japanese succeeded in reaching Yingtien, 40 miles upstream from Yochow, by breaking through six mine-fields, and silencing a large number of pill-boxes on the eastern shore of Lake Tungting.

The Japanese naval force was mustered near Chenglingchi below Yochow on September 21st to cooperate with the military forces in their clean-up campaign in Northern Hunan Province. The naval force, which was divided into the vanguard and main units, started operations on the following day. The naval vanguard, leading a flotilla of boats containing the Japanese Kamimura detachment, took the enemy by surprise, and, under cover of darkness, successfully passed through the "long waterway" on Lake Tungting, which was believed by the Chinese authorities to be good only for small-sized junks. This unit led the Japanese military boats to Yingtien, via Tsingshan, on Lake Hoyeh and enabled the Kamimura detachment to effect a surprise landing at Yingtien at 6 o'clock on the morning of September 23rd.

The Kamimura detachment immediately drove eastward along the Mi River to Sinshih, where it succeeded in dealing a crushing blow to the Chinese troops which had been fleeing southward from the River Tsiang before the southern onslaught of the Japanese military forces. The splendid success achieved by the Kamimura detachment was certainly due to its daring, swift drive eastward along the Mi River, immediately following its landing at Yingtien, but it also owes much to carefully laid plans, the successful landing at Yingtien, and the passing through of the "long waterway" at night by taking advantage of the valuable reconnaissance work previously carried out by the naval force.

At 9:30 a.m. on September 23rd, the main naval unit reached a point off Chiumatsui. This unit, together with naval air-units covered the operations of Japanese blue-jackets at Chiumatsui. An attack was immediately started on the enemy positions near Lukio. Cliffs 3 to 4 metres high, standing along the shore of Tungting Lake, where the Japanese forces landed, and a creek running in front of Lukio, added to the

difficulty of the Japanese advance. The Japanese landing party, however, covered by air-units and naval boats operating freely off Lukio, took the pill-boxes which formed the outpost of Lukio. By nightfall, September 23rd, the landing party reached a hill north of Lukio, which town it completely occupied at 9 : 30 o'clock, the next morning.

Following the occupation of Lukio, the Japanese naval unit successfully swept two mine-fields off the town of Lukio at 2 : 30 p.m., September 24th, and reached a point below Leishihshan, a strategically important place, the same evening. A landing-party from the main body of the naval force went ashore at Leishihshan at 9 a. m., September 25th. Following the capture of Leishihshan, the naval force swept the mine-fields off Leishihshan and disposed of more than 400 mines. After clearing mine-fields off Shensha-chiang and Pohwachow and removing booms at Paiyuchih, the Japanese arrived off Yingtien at 4 : 15 p.m., September 29th, when it effected a junction with the vanguard. Thus the waterway from Yochow to Yingtien, a distance of 40 miles, was re-opened.

In this campaign, the Japanese naval force disposed of over 500 mines, destroyed 35 Chinese military boats and 31 mines and disposed of 5 ground mines. A fairly large number of embedded mines, were located on Tungting Lake.

Except for the large number of mines discovered and disposed of, the Japanese naval force, in its operations on Lake Tungting, has inflicted no heavy material losses on the Chinese forces. But there is no denying that the successful 40-mile advance upstream from Yochow has dealt a severe blow to the morale of the Chinese forces, particularly as this brilliant thrust was accomplished in the face of the Chinese boast that mine-fields, other obstructions and fortifications would frustrate any Japanese attempt to sail upstream beyond Yochow. This Japanese naval success provides excellent proof of the determination and ability of the Japanese Navy to proceed upstream, if necessary even to Changsha or other Szechwan towns, despite seemingly insurmountable difficulties.